

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

RECEIVED  
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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

EXPERIMENTAL "RIDE-ALONG"  
CLASSIFICATION CHANGE FOR PERIODICALS, 1999

Docket No. MC2000-1

NOTICE OF ERRATA

The United States Postal Service hereby gives notice of errata in the testimony of witness Schwartz (USPS-T-2). The sentence on page 4, line 3 was misplaced and has been moved to the beginning of the sentence beginning on line 6. A replacement page showing the correction is attached.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



\_\_\_\_\_  
Scott L. Reiter

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November 1, 1999

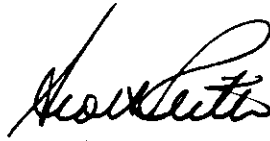
1 item for a Standard A insert or onsert to the proposed flat rate of \$.10 would  
2 automatically double volumes from current advertisers to approximately 6.68 million  
3 units. We then believe we would almost double this volume again when other  
4 advertisers, especially those launching new products in the toiletry, cosmetic and skin  
5 care industries, are made aware of the lower postage costs for premium advertisements  
6 in periodicals. This would amount to over 13 million pieces and would double the  
7 revenue that the Postal Service receives, without increasing its costs for processing this  
8 mail.

9 Magazine Publishers of America (MPA) conducted an informal survey of its  
10 Postal Committee members, asking for projected annual Ride-Along volume. The  
11 survey resulted in a projection of approximately 91,336,000 pieces, versus a present  
12 volume for Standard A pieces mailed in combination with periodicals of 14,189,000.  
13 The estimated increase is approximately 77,147,000 pieces, or 544 percent. Our CNP  
14 projections are included in the MPA survey.

15 To the best of my knowledge, there would be little or no volume or revenue  
16 diversion if this experimental rate is approved. The current Standard A material which  
17 is either on-sorted within a mailing wrapper or bound into our periodicals is not of the  
18 type that advertisers would send directly to consumers via any other class of mail, *i.e.*,  
19 Standard Mail A or First -Class Mail. These units are creative pieces designed for  
20 inclusion with periodicals (even though they do not qualify for the Periodicals rates of  
21 postage). They are not pieces which are normally sent independently of periodicals or  
22 which have historically been subject to mass distribution via Standard Mail A.

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "Scott L. Reiter", written over a horizontal line.

Scott L. Reiter

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